

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Competitive Product Prices
Global Expedited Package Services Contracts
Non-Published Rates

Docket No. MC2015-23

Competitive Product Prices
Global Expedited Package Services Contracts
Non-Published Rates 5 (MC2013-27)

Docket No. CP2015-65

PUBLIC REPRESENTATIVE COMMENTS ON
NOTICE OF THE UNITED STATES POSTAL SERVICE CHANGE IN PRICES FOR
GLOBAL EXPEDITED PACKAGE SERVICES—NON-PUBLISHED RATES 5 (GEPS –
NPR Version 2)

(May 21, 2015)

The Public Representative hereby provides comments pursuant to Order No. 2476.¹ In that Order, the Commission invites public comment, including comments from the undersigned Public Representative, regarding the notice of the Postal Service to change prices for Global Expedited Package Services—Non-Published Rates 5 (GEPS—NPR 5).²

The Commission previously added the GEPS – NPR 5 product to the competitive product list on January 13, 2015.³ The GEPS – NPR 5 product, offer incentive pricing to small and medium-sized business mailers that satisfy prescribed capability requirements and that are willing to enter a contractual commitment to minimum levels of revenue from use of Priority Mail Express International (PMEI), Priority Mail

¹ Notice and Order Concerning Change in Prices for Global Expedited Package Services – Non-Published Rates 5 Version 2 GEPS –NPR 5 Version 2), May 11, 2015 (Order).

² Notice of the United States Postal Service of Change in Prices for Global Expedited Package Services – Non-Published Rates 5 and Application for Non-Public treatment of Materials Filed Under Seal (GEPS – NPR 5 Version 2), May 7, 2015 (Notice).

³ See Order No. 2320, Order Adding Global Expedited Package Services—Non-Published Rates Contract 5 (GEPS - NPR 5) to the Competitive Product List, Docket Nos. MC2015-23 and CP2015-29, January 13, 2015

International (PMI) products, and Global Express Guaranteed (GXG). *Notice* at 5. The GEPS-NPR 5 Version 2 offers additional incentives when further specified requirements are satisfied.⁴

COMMENTS

For compliance purposes, the Postal Service provided a Management Analysis of the Pricing and Methodology for Determining Prices for Negotiated Service Agreements under Global Expedited Package Services—Non-Published Rates 5 Version 2 and accompanying financial model previously filed in GEP – NPR 5. Based upon review of these files, the Public Representative concludes that the Postal Service’s filings are consistent with the policies of Title 39 U.S.C.⁵ It also appears the amended prices developed from the financial model should generate sufficient revenues to permit the GEPS – NPR 5 Version 2 products to cover costs, thereby satisfying section 3633(a) of 39 U.S.C. As a result, the Public Representative suggests the Commission approve the changes filed in this docket.

The Public Representative respectfully submits the foregoing comments for the Commission’s consideration.

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⁴ See GEPS NPR 5 Version 2 Management Analysis. Page 1-2.

⁵ 39 U.S.C. § 3633. Pursuant to 39 U.S.C. § 3633(a), the Postal Service’s competitive prices must not result in the subsidization of competitive products by market dominant products; ensure that each competitive product will cover its attributable costs; and, ensure that all competitive products collectively contribute an appropriate share of the institutional costs of the Postal Service.